

Control Number: 51812



Item Number: 206

Addendum StartPage: 0

Memorandum

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TO: Chairman Peter Lake

FROM: Commissioner Will McAdams

DATE: June 1, 2021

RE: Open Meeting of June 3, 2021 – Agenda Item No. 2 Project No. 51812 – Issues Related to the State of Disaster for the February 2021 Winter Weather Event

On February 21, 2021, the Commission issued an order establishing a good cause exception to specific electric, water, and sewer rules that enacted a moratorium on disconnections. At that time, the Commission based its decision on the existence of a public emergency and imperative public necessity following Winter Storm Uri. While there are many who are still affected by the events in February, I believe that the urgency of the situation has passed, and that a continuance of a Uri-based moratorium could lead to an unsustainable impact on a significant number of financially at-risk Texas consumers.

If the current moratorium persists, customers already at risk of disconnection will soon be subject to the automatic moratoriums that arise under PURA § 39.101 governing heat advisory conditions prevalent during Texas summers. There is a strong possibility, that under our current policy, these same consumers will continue to accrue financial liabilities associated with unpaid utility bills. In some cases, these liabilities could amount to seven months of overdue bills before the Commission may be able to readdress the issue in the fall.

There are better resources available to ratepayers to assist with unpaid utility bills than the moratorium currently provides. Under 16 Texas Administrative Code §§ 24.165(d) and 25.480(j), electric, water, and sewer utilities must provide deferred payment plans to qualifying residential customers. Further, the Texas Department of Housing and Community Affairs has assistance available to help pay utility bills through the Texas Rent Relief Program and through the Comprehensive Energy Assistance Program. I urge ratepayers to take advantage of the available resources if they are facing overdue utility bills. At the same time, I fully expect utilities to work with customers to structure deferred payment plans that are both reasonable and affordable.

Therefore, I recommend that the Commission should end the disconnect moratorium at the June 11, 2021 Open Meeting to give customers the opportunity to seek out resources and, if necessary, set-up payment plans with their utilities.

I look forward to discussing this matter with you at the open meeting.